EXHIBIT 14

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May 29, 1986

TO: Mr. R. J. Landry

FROM: S. D. Curran

SUBJECT: Exxon Underground Tank Leak Experience

This is in response to the subject data request as back up for Mr. Meyer's API - Committee on Public Issues meeting.

Following is recent data on EUSA Marketing tank leak experience derived from field investigation reports:

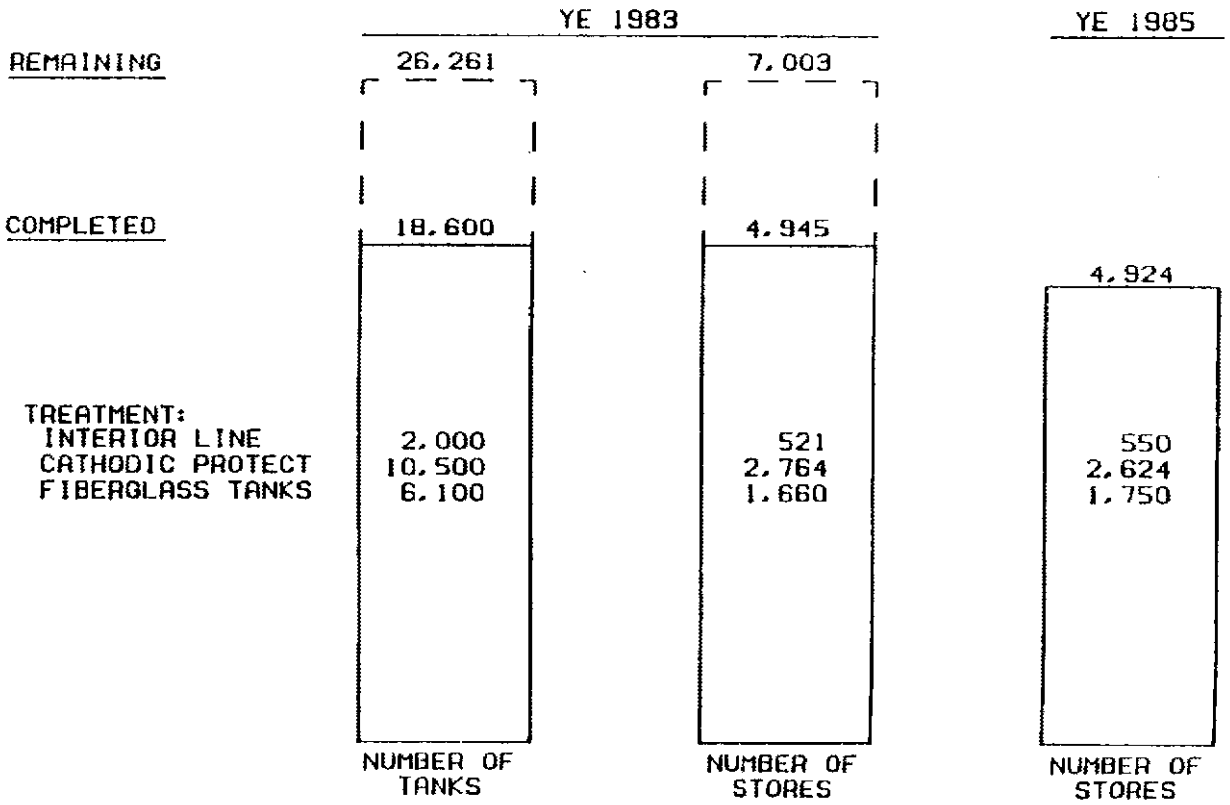
Year	Number of Exxon Owned Tanks	Number of Tank Leaks	% Leaks
1982	28,500	730	2.6
1983	26,300	540	2.1
1984	24,300	235	1.0
1985	22,000	239	1.1

Additional data was added to the leak classification matrix in 1986. Only those systems where both a tank system was tested not to be tight and an actual unauthorized discharge occured are listed as leaks. As a result, where previous data included tank tightness failures that did not result in a discharge (e.g. vent line vapor leaks), excavation or observation well investigation results are now listed when the suspected unauthorized discharge actually occurred. Data to date indicates a tank leak rate of 0.7% may be expected in 1986.

SDC:alj
8952c

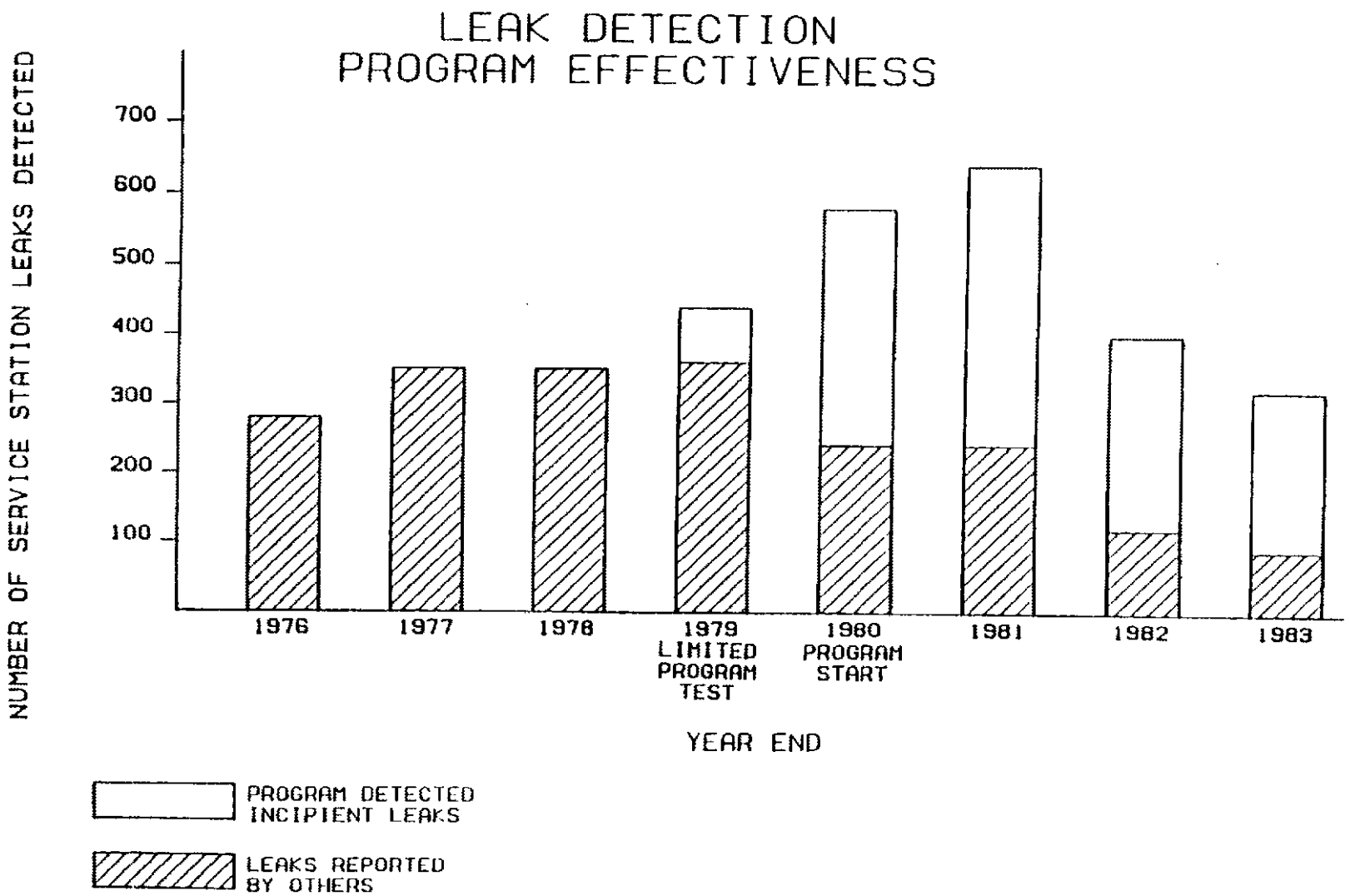
cc: A. L. Decker
R. R. Eaton
W. E. Gattis
W. B. Matney
M. E. Rollins

UNDERGROUND TANK PROGRAM
TANK UPGRADING STATUS



PROGRAM COSTS: THRU 1983= $102 MILLION
THRU 1985= $172 MILLION

LCBE 42 0476


LEAK DETECTION
PROGRAM EFFECTIVENESS
NUMBER OF SERVICE STATION LEAKS DETECTED
700
600
500
400
300
200
100
1976
1977
1978
1979
LIMITED
PROGRAM
TEST
1980
PROGRAM
START
1981
1982
1983
YEAR END
PROGRAM DETECTED
INCIPIENT LEAKS
LEAKS REPORTED
BY OTHERS

LCBE 42 0477

EUSA MARKETING
Underground Storage Tank Systems
Leak Experience

Year	Number of Exxon-Owned Tanks			Percentage of Leaks	
	Two-Point Average	Tested for Leaks	Tank Leaks	To Total	To Tanks Tested
1982	31,200	NA	730	2.3	NA
1983	27,400	NA	540	2.0	NA
1984	25,300	891	235	0.9	26
1985	23,100	948	240	1.0	25

Exxon's leak detection program relies mainly on mandatory daily, weekly, and monthly operator inventory reconcilation for early leak detection. Tank testing is triggered whenever the variation exceeds one-half of one percent of the thruput per month. In addition, product inventory verification over a test period--usually one month--is required to be performed annually by the operator and company representative. Monitoring wells to detect leaks through drawoff of samples have been installed at most stations constructed over the last few years, and at some older facilities in high-risk locations. When unexplained inventory variations are reported or detected through these methods, Exxon does a hydrostatic tank tightness test that will detect leaks as small as .05 gallons per hour. Finally, leaks may be discovered in pipes that are under pressure by line leak detectors which continuously monitor line pressure.

In addition to tank testing because of suspected leaks, Exxon also tests tanks for other reasons; e.g., local ordinances, planned acquisitions, or as part of the surplussing program. In 1985, the leak rate for tanks tested for suspected leaks was 44% and for those tested for other reasons, 13%.

There is no standard definition of an underground storage tank system leak. Prior to 1986, Exxon classified as a leaker any tank that failed the tank tightness test. Beginning in 1986, tanks were classified as leakers only if a product leak--as opposed to an air or vapor line leak--was subsequently verified. Early 1986 data indicate a tank leak rate of 0.7%.

PJL:slw:kc
6/86

EXXON UNDERGROUND TANK TIGHTNESS
TESTING EXPERIENCE

1985

Reason for Tightness Test	Number Tested	Number Failed	% Failure
Suspected Leaks (e.g., inventory control variations, line leak detectors, other)	376	164	44
Other Programs (e.g., surplussing, acquisitions, local regulations, other)	572	76	13
Total	948	240	25

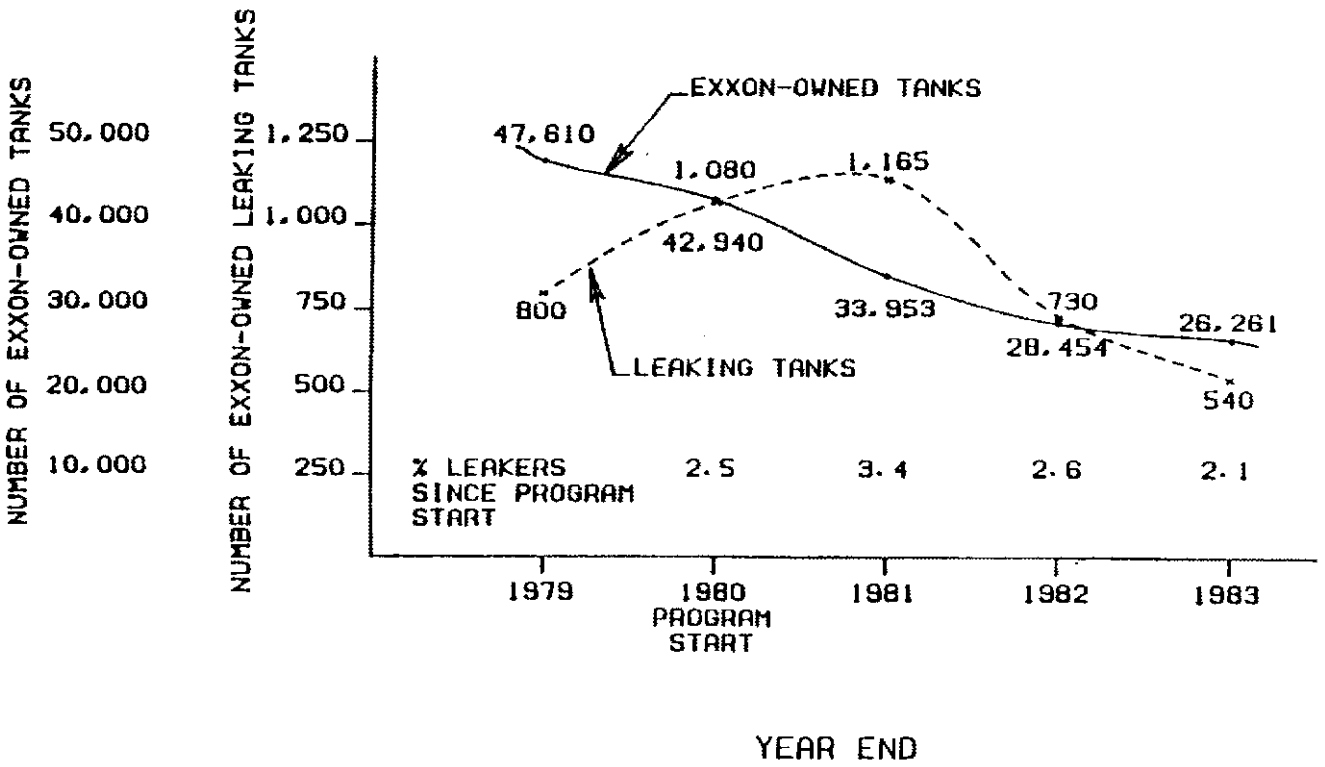
PJL:kc
6/6/86

Exxon Underground Tank Tightness Tests
1985

Reason for Tightness Test	Number Tested	Number Failed	Percent Failed
Suspected Leaks (dealer complaint, inventory reconciliation, etc.)	320	124	38.8
Annual Inventory Verification	56	40	71.4
Planned Divestiture	269	48	17.8
Planned Acquisitions	92	0	0.0
Tank Upgrading Program (for tanks slated for cathodic protection)	126	23	18.3
Requirement of Local Regulation	62	5	8.1
Other Reasons	23	0	0.0
Total	948	240	25.3

PJL:kc
6/4/86

UNDERGROUND TANK LEAKER EXPERIENCE
1979 - 1983



EXXON UNDERGROUND TANK TIGHTNESS
TESTING EXPERIENCE

1985

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2520d

EUSA MARKETING
Underground Storage Tank Systems
Leak Experience

656-5987

	Number of Exxon-Owned Tanks			Percentage of Leaks	
Year	Total	Tested for Leaks	Tank Leaks	To Total	To Tanks Tested
	32,953 > 31,200				
1982	28,500 > 27,400	NA	730	~~2.6~~ 2.3	NA
1983	26,300 > 24,300	NA	540	~~2.1~~ 2.0	NA
1984	24,300 > 23,100	891	235	~~1.0~~ 0.9	26.~~1~~
1985	22,000	948	240	~~1.1~~ 1.0	25.~~3~~

Exxon's leak detection program relies mainly on mandatory daily, weekly, and monthly operator inventory reconcilation for early leak detection. Tank testing is triggered whenever the variation exceeds one-half of one percent of the thruput per month. In addition, product inventory verification over a test period--usually one month--is required to be performed annually by the operator and company representative. Monitoring wells to detect leaks through drawoff of samples have been installed at most stations constructed over the last few years, and at some older facilities in high-risk locations. When unexplained inventory variations are reported or detected through these methods, Exxon does a hydrostatic tank tightness test that will detect leaks as small as .05 gallons per hour. Finally, leaks may be discovered in pipes that are under pressure by line leak detectors which continuously monitor line pressure.

In addition to tank testing because of suspected leaks, Exxon also tests tanks for other reasons; e.g., local ordinances and planned acquisitions or as part of the surplus property program ~~divestiture~~. In 1985, the leak rate for tanks tested for suspected leaks was 44% and for those tested for other reasons, 13%.

There is no standard definition of an underground storage tank system leak. Prior to 1986, Exxon classified as a leaker any tank that failed the tank tightness test. Beginning in 1986, tanks were classified as leakers only if in addition to failing the tightness test, a ~~leak was~~ discharge from the tank subsequently verified ~~that resulted in a significant discharge, and was not attributable to other factors such as the vent line or loose fittings~~. Data to date indicates ~~a~~ there is a tank leak rate of 0.7% in 1986.

PJL:slw:kc

LCBE 42 0483

May 29, 1986

TO: Mr. R. J. Landry

FROM: S. D. Curran

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1984	24,300	235	1.0
1985	22,000	239	1.1
1986	18,745	130	0.7

Additional data was added to the leak classification matrix in 1986. Only those systems where both a tank system was tested not to be tight and an actual unauthorized discharge occured are listed as leaks. As a result, where previous data included tank tightness failures that did not result in a discharge (e.g. vent line vapor leaks), excavation or observation well investigation results are now listed when the suspected unauthorized discharge actually occurred. Data to date indicates a tank leak rate of 0.7% may be expected in 1986.

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API RECOMMENDED PRACTICE FOR UNDERGROUND PETROLEUM PRODUCT STORAGE SYSTEMS AT MARKETING AND DISTRIBUTION FACILITIES

Foreword

The prevention and detection of product leakage from petroleum storage and dispensing systems is important to both industry and the public. This recommended practice is offered as a guide for voluntary use by architects, engineers, marketers, jobbers and contractors in the design, use and maintenance of such systems.

Federal, state and municipal codes or laws may have specific restrictions or requirements which must be taken into account prior to the installation of the underground tanks and piping.

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